



Wie MSD nach wissenschaftlicher Innovation in Europa forscht

Dr. Manfred Horst

Director

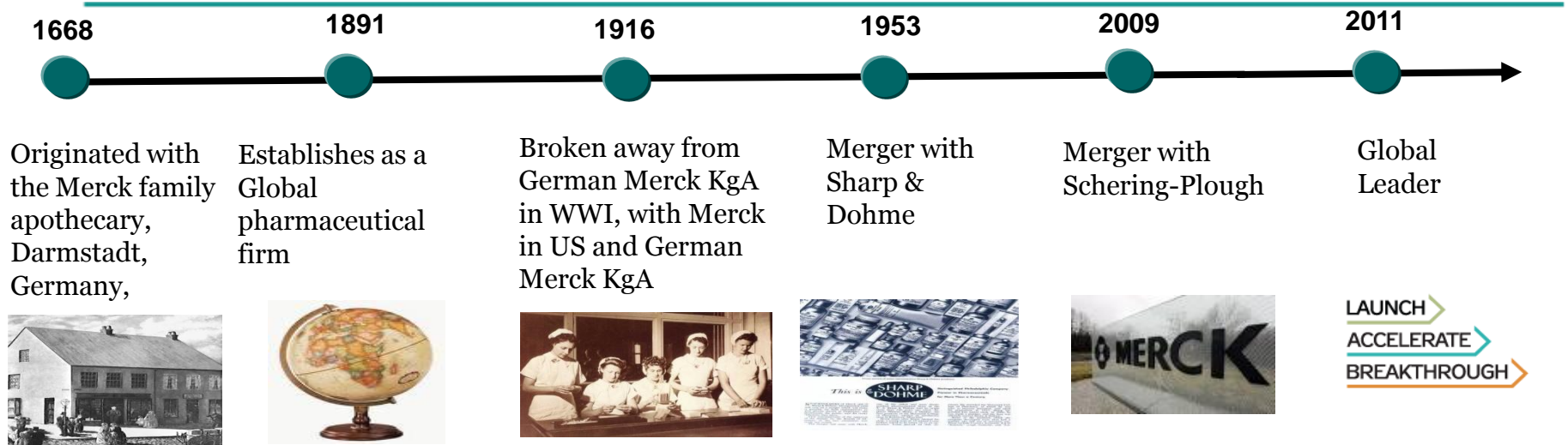
Licensing & External Research Europe

PharmaForum

Hanau, 7.11.2012

COMBINING OUR STRENGTHS
SHARING OUR SUCCESSSES

Introduction to Merck & Co./ MSD



Trade Name	Known as Merck in the United States and Canada. Elsewhere, known as MSD
HQ	Whitehouse Station, New Jersey, USA.
Geography	Customer base in > 140 countries to deliver broad-based healthcare solutions
Business	Pharmaceuticals, Vaccines, Biologics, Consumer Care, Animal Health
Revenues	\$48 Billion in 2011
R&D	\$8.5 Billion in 2011
Deals	>100 significant licensing and partnership deals



Current Product Portfolio

CV and Diabetes	     
Infectious Diseases	      
Respiratory/ Bone/ Immunology	        
Women's Health	     
Neuro/ Ophthalmology	     
Oncology	   
Vaccines	     
Diversified Brands	   
Dermatology	    

Merck Research Laboratories (MRL)

- Approximately 12,000 research scientists
- Thousands of publications per year
- Hundreds of patent applications per year
- Over 100 NDAs approved since 1963



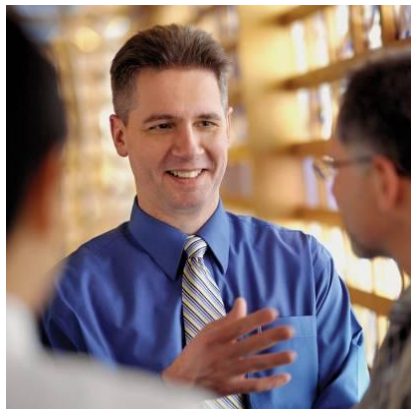
"Our strategy is based on innovation being the single biggest driver of value over the long term for patients, customers and shareholders." – Ken Frazier

Overview of MRL's Licensing process



▶ *Connecting with You*

- Worldwide scouts build relationships and seek out opportunities
- Nonconfidential information submitted for review



▶ *Understanding Your Science*

- Initial nonconfidential review by Review and Licensing Committees
- Confidentiality disclosure agreement signed
- Confidential review
- Face-to-face scientific meetings
- Commercial assessment



▶ *Doing the Deal*

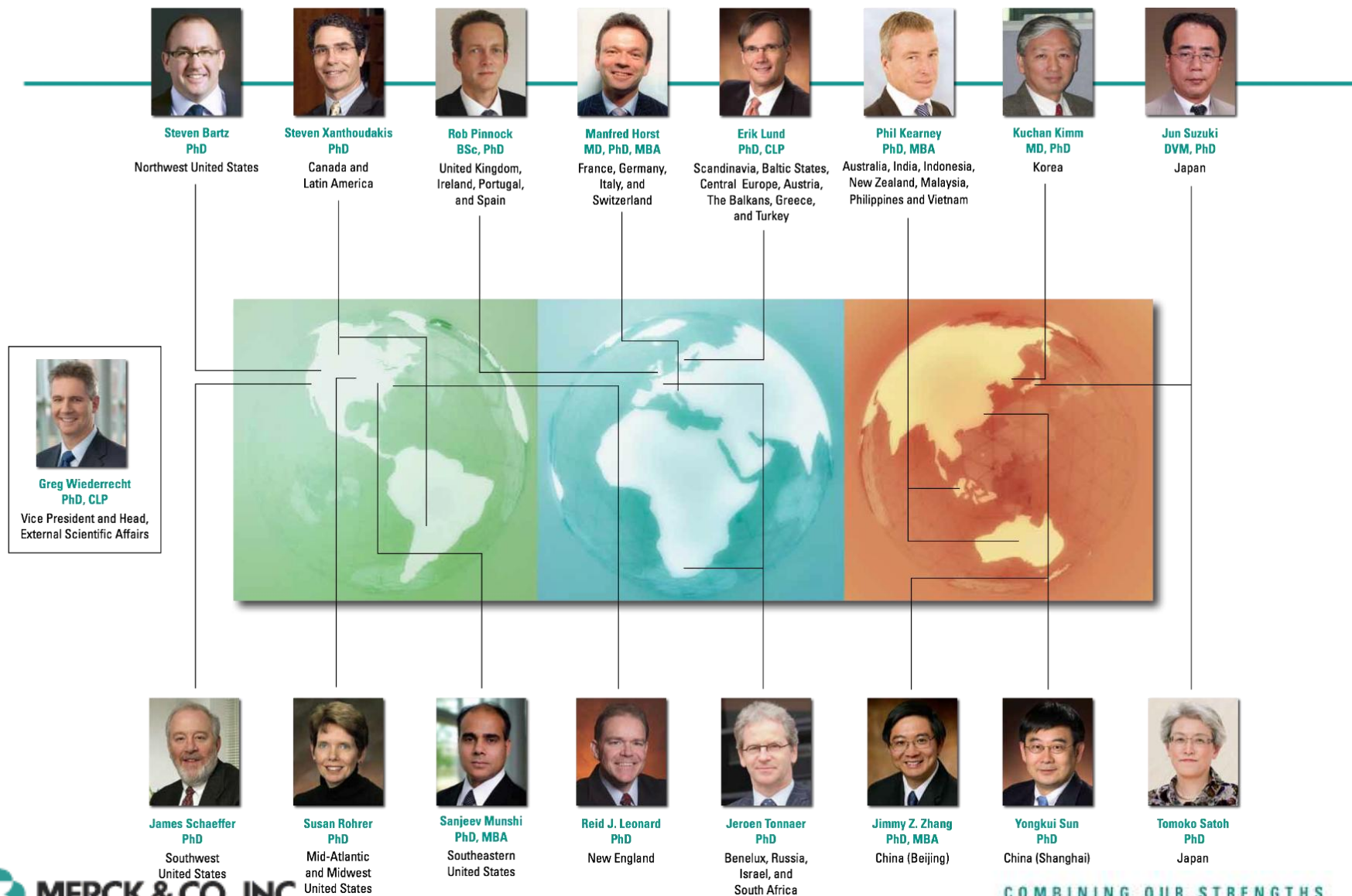
- Term sheet negotiations conducted by Transaction Manager
- Due diligence
- Definitive agreements negotiated
- Agreements executed



▶ *Working Together*

- Alliance Management
 - Alliance managers assigned
 - Alliance launched
 - Monitor progress throughout the agreement
- Preclinical collaborations
 - Scouts will be Alliance Managers (from 2011)

Merck's Global Licensing and Scouting Network:



European Scouts and Ambassadors

- Tools:

- Areas of Interest
 - Non-confidential brochure and Internet site
 - Confidential updates from franchises
- Databases, databases
 - LKR (Licensing Knowledge Repository)
 - Other internal databases
 - Knowledge Management department
 - Scientific Literature



Erik Lund

Rob Pinnock



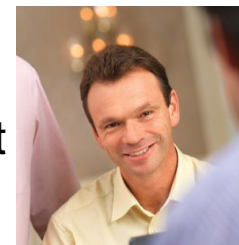
- People:

- Partnering meetings e.g. Bio Europe
- Scientific conferences e.g. ESC Congress
- Site visits
 - Company visits
 - FTF meetings with MRL
 - Due Diligence
 - Deal Discussions
- Internal contacts (MRL, GHH, CL)

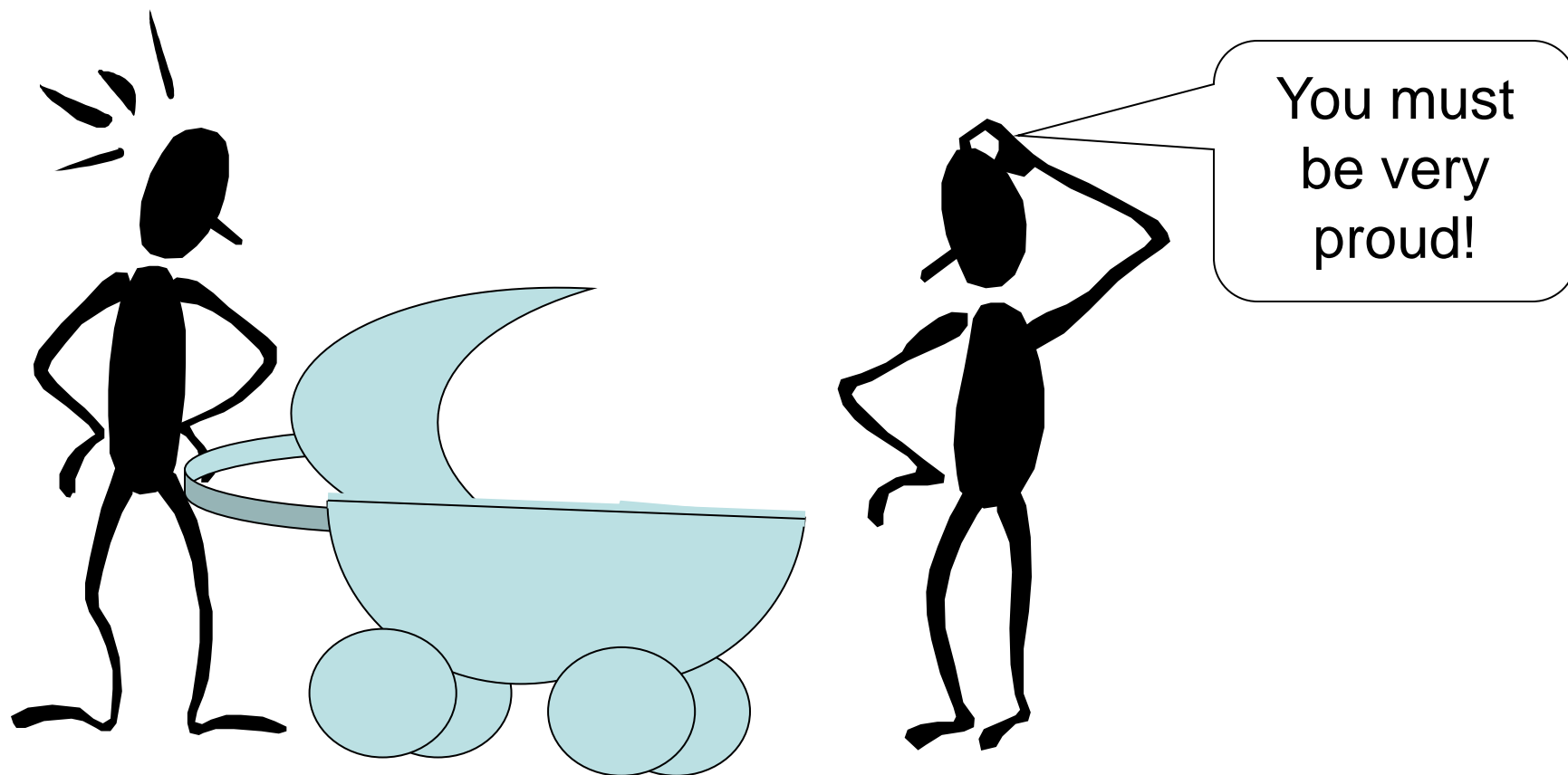


Jeroen Tonnaer

Manfred Horst



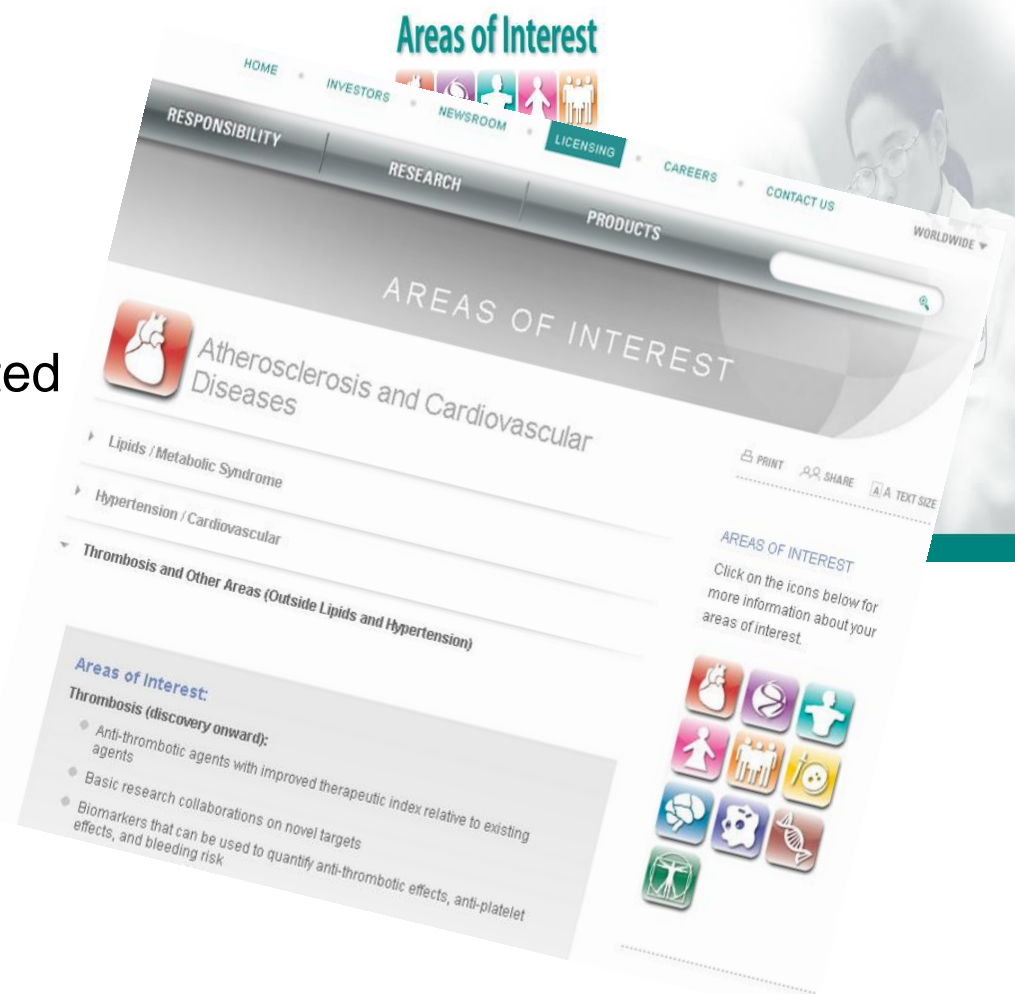
Pharma Charm School - *Never forget... for the biotech, their compound is their “baby”*



Beauty is in the eye of the beholder!

Areas of Interest for Partnering

- We publish our Areas of Interest twice each year.
- For each of our therapeutic areas, we list the Mechanism of Actions that we are interested in and those that we are not.
- Go to:
www.merck.com/licensing
to learn more!



Merck Has Found Excellence In Science Worldwide

In the past 10 years, Merck has signed significant deals with partners in the following countries



The odds



« No » does not mean « Never »

A successful Due Diligence...

Merck

10



Elexopharm

9

Hot off the press

WHITEHOUSE STATION, N.J., and Wuppertal, Germany, October 15, 2012



AICURIS AND MERCK ENTER EXCLUSIVE WORLDWIDE LICENSE AGREEMENT FOR INVESTIGATIONAL PORTFOLIO TARGETING HUMAN CYTOMEGALOVIRUS

Collaboration Creates Value

Combining our Strengths Sharing our Successes

Partners

- Discovery
- Innovation
- Subject Matter Expertise

MSD

- Subject Matter Expertise
- Clinical Development
- Commercialization expertise

